HOUSING MARKET INFORMATION

RENTAL MARKET REPORT

Prince Edward Island Highlights[1]

CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: 2016

The overall vacancy rate*...

DECREASED to

2.1%

- Below Province
- Similar to Province
- Above Province

The average rent is*...

$811

- Below Province
- Similar to Province
- Above Province

PRIMARY RENTAL MARKET *(by bedroom type)*

Bachelor	One bedroom	Two bedroom	Three or more bedrooms
**	1.5%	2.1%	4.2%
Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
$558 Avg. Rent	$696 Avg. Rent	$852 Avg. Rent	$922 Avg. Rent

"Rising international migration has led to tighter rental market conditions for Charlottetown and Summerside."

Sarena Teakles
Market Analyst

*CMHC collects data on the primary and secondary rental market annually, in the fall. These data refer to the primary rental market, which only includes rental units in privately-initiated apartment structures containing at least three rental units. The secondary rental market covers rental dwellings that were not originally purpose built for the rental market, including rental condominiums. The primary vacancy rate and rent level is based on all surveyed structures, while the rent increase is based only on structures common to the survey sample in both the current and previous year.

[1] Urban centres with a population of 10,000 + are included in the survey. Detailed reports are available for CMAs.

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Key Findings

- Lower vacancy rates for Charottetown and Summerside contributed to an overall decline in the provincial vacancy rate.
- Immigration is the key driver of rental demand throughout the province.
- Townhouses are a popular purpose-built rental unit in Summerside.

Vacancy Rates Moved Lower on Prince Edward Island

Immigration strongly influenced Prince Edward Island's (PE's) urban rental markets[2] in 2016. Between July 2015 and June 2016, it was estimated that 2,008 people immigrated to the Island[3], thereby increasing demand for rental accommodations. As a result, the apartment vacancy rate declined significantly year-over-year from 4.8 per cent in October 2015 to 2.1 percent in October 2016, according to CMHC's 2016 Fall Rental Market Survey.

The Charlottetown area received 1,835, or 91 per cent, of the immigrants who moved to PE since July 2015[4]. Some of these newcomers chose to rent upon arrival while they familiarize themselves with their new home country. However demand outpaced the available supply of rental units. This was evident from the apartment vacancy rate of 1.7 per cent, which was down sharply from 4.2 per cent a year earlier.

Facing supply constraints, some immigrants had to look at other housing options. For example, CMHC's recent Housing Market Insight – Prince Edward Island entitled *Migration & Housing: What it Means for Charlottetown* showed that some international migrant families arrived with sufficient resources to enter homeownership and are bypassing the rental market. MLS® sales for the Charlottetown area for the first nine months of the year were up 24.5 per cent on a year-over-year basis[5]. This pick-up in MLS® resale activity provided additional stimulus to the rental market by allowing some downsizing seniors to move into rental units. Some of the spillover effects from Charlottetown's rental market spread to Summerside. This additional demand moved the apartment vacancy rate lower to 4.1 per cent in October 2016 from 7.8 per cent a year earlier. Despite this downward tick, the apartment vacancy rate remains

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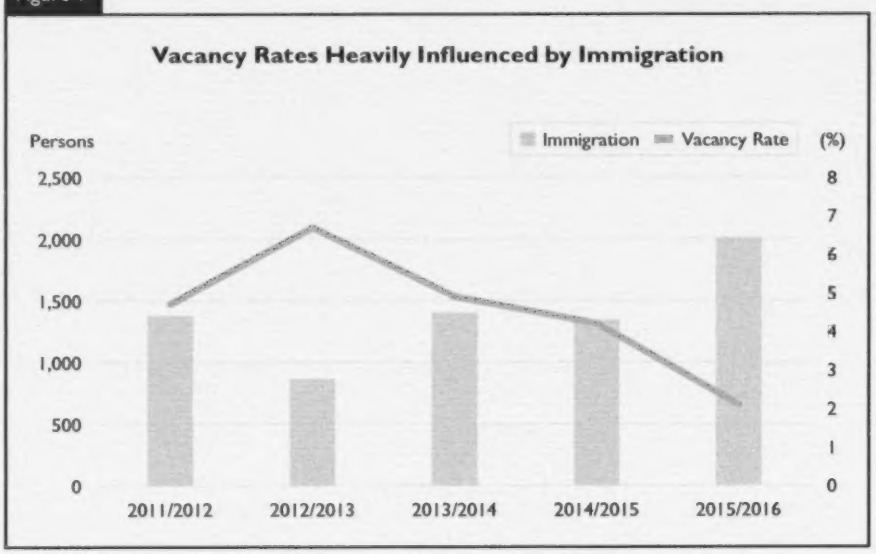
Figure 1



Source: Statistics Canada, Table 051-0011, CMHC, Fall Rental Market Survey.

[2] Urban centres with a population of 10,000 and over.

[3] Immigration, Refugees and Citizenship Canada, Open Source Data, Canada - Admissions of Permanent Residents by Province/ Territory and Census Metropolitan Area (CMA) of Intended Destination (Q2 2016 ranking), Q1 2014 - Q2 2016*, accessed November 09, 2016.

[4] Immigration, Refugees and Citizenship Canada, Open Source Data, Canada - Admissions of Permanent Residents by Province/ Territory and Census Metropolitan Area (CMA) of Intended Destination (Q2 2016 ranking), Q1 2014 - Q2 2016*, accessed November 09, 2016.

[5] Prince Edward Island Real Estate Association, aggregate of Area D, E and F for the July 2014 – June 2015 and the July 2015 to June 2016 periods. MLS® is a registered trademark of the Canadian Real Estate Association.

above its 10-year average of 3.0 per cent and same-sample rents moved lower by 0.7 per cent[6].

The composition of Summerside's rental universe is different than Charlottetown's. Specifically, Summerside is home to a sizeable stock of purpose-built rental townhomes that makes up about 40 per cent of the combined apartment and townhouse rental universe. In contrast, townhouses represent 7 per cent of the aggregate universe in Charlottetown. Rental townhouses in Summerside are highly coveted. This is reflected in the townhouse vacancy rate, which was 0.4 per cent in October 2016 and significantly below the apartment vacancy rate. However due to the relatively higher rents for townhouse units and greater availability of apartment units, same-sample average rents remained flat to 2015 levels.

[6] When comparing year-over-year average rents, the age of the building needs to be taken into consideration because rents in newly-built structures tend to be higher than in existing buildings. By comparing rents for units that are common to both 2016 and 2015 Fall Rental Market Surveys, we can get a better indication of actual rent increases paid by most tenants.

Summerside
Charlottetown
Census Metropolitan Area
Census Agglomeration
Census Subdivision
0
30
60
km
N

1.1.1 Private Apartment Vacancy Rates (%) by Bedroom Type Prince Edward Island										
Centre	**Bachelor**		**1 Bedroom**		**2 Bedroom**		**3 Bedroom +**		**Total**	
	Oct-15	**Oct-16**	**Oct-15**	**Oct-16**	**Oct-15**	**Oct-16**	**Oct-15**	**Oct-16**	**Oct-15**	**Oct-16**
Charlottetown CA	**	**	3.6 d	1.3 a	4.6 c	1.7 b	3.1 d	**	4.2 b	1.7 b
Summerside CA	**	**	6.6 b	4.0 d	6.1 b	4.3 b	**	3.3 d	7.8 b	4.1 b
Prince Edward Island 10,000+	**	**	**3.8 c**	**1.5 c**	**4.9 b**	**2.1 b**	**	**4.2 d**	**4.8 b**	**2.1 b**

1.1.2 Private Apartment Average Rents ($) by Bedroom Type Prince Edward Island										
Centre	**Bachelor**		**1 Bedroom**		**2 Bedroom**		**3 Bedroom +**		**Total**	
	Oct-15	**Oct-16**	**Oct-15**	**Oct-16**	**Oct-15**	**Oct-16**	**Oct-15**	**Oct-16**	**Oct-15**	**Oct-16**
Charlottetown CA	533 a	560 a	685 a	703 a	830 a	872 a	966 a	970 a	789 a	825 a
Summerside CA	550 a	535 b	614 a	620 a	734 a	744 a	765 a	793 a	715 a	730 a
Prince Edward Island 10,000+	**534 a**	**558 a**	**678 a**	**696 a**	**814 a**	**852 a**	**915 a**	**922 a**	**777 a**	**811 a**

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

1.1.3 Number of Private Apartment Units in the Universe by Bedroom Type Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Charlottetown CA	158	156	1,286	1,309	3,286	3,348	232	225	4,962	5,038
Summerside CA	11	10	152	127	613	614	102	90	878	841
Prince Edward Island 10,000+	**169**	**166**	**1,438**	**1,436**	**3,899**	**3,962**	**334**	**315**	**5,840**	**5,879**

1.1.4 Private Apartment Availability Rates (%) by Bedroom Type Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Charlottetown CA	**	**	3.8 c	2.6 b	5.1 c	2.5 b	3.5 d	**	4.6 b	2.8 b
Summerside CA	**	**	6.6 b	4.9 d	6.1 b	5.8 b	**	5.5 d	7.8 a	5.6 b
Prince Edward Island 10,000+	**	**	**4.1 c**	**2.8 b**	**5.2 b**	**3.0 b**	**	**7.7 c**	**5.1 b**	**3.2 b**

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

1.1.5 Private Apartment Estimate of Percentage Change (%) of Average Rent[1] by Bedroom Type Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16
Charlottetown CA	2.0 c	++	++	**	**	**	++	++	**	**
Summerside CA	4.7 d	++	5.7 c	++	1.0 c	-1.4 d	++	0.7 b	1.8 b	-0.7 b
Prince Edward Island 10,000+	**2.2** c	++	++	**	**	**	++	**	++	**

[1]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

1.1.6 Private Apartment Turnover Rates (%) by Zone and Bedroom Type Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Charlottetown CA	n/a	**	n/a	**	n/a	25.6 c	n/a	**	n/a	24.6 c
Summerside CA	n/a	**	n/a	24.8 d	n/a	17.7 d	n/a	**	n/a	18.3 d
Prince Edward Island 10,000+	**n/a**	**	**n/a**	**22.6** c	**n/a**	**24.4** c	**n/a**	**	**n/a**	**23.6** c

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

2.1.1 Private Row (Townhouse) Vacancy Rates (%) by Bedroom Type Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Charlottetown CA	**	**	**	**	1.8	2.3	0.0	0.0	0.6	1.1
Summerside CA	0.0	0.0	0.0	0.0	0.6	0.6	0.0	0.3	0.2	0.4
Prince Edward Island 10,000+	****	**0.0**	**0.0**	**2.5**	**1.1**	**1.4**	**0.0**	**0.2**	**0.3**	**0.7**

2.1.2 Private Row (Townhouse) Average Rents ($) by Bedroom Type Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Charlottetown CA	**	**	**	**	927	961	1,020	1,061	986	1,020
Summerside CA	344	329	512	491	915	914	776	765	791	789
Prince Edward Island 10,000+	**344**	**329**	**554**	**547**	**920**	**935**	**877**	**892**	**869**	**886**

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

2.1.3 Number of Private Row (Townhouse) Units in the Universe by Bedroom Type Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Charlottetown CA	1	1	6	6	118	127	247	258	372	392
Summerside CA	9	9	39	35	160	177	351	316	559	537
Prince Edward Island 10,000+	**10**	**10**	**45**	**41**	**278**	**304**	**598**	**574**	**931**	**929**

2.1.4 Private Row (Townhouse) Availability Rates (%) by Bedroom Type Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Charlottetown CA	**	**	**	**	1.8 c	3.9 d	0.0 b	1.0 a	0.6 a	2.3 b
Summerside CA	0.0 a	0.0 a	0.0 a	0.0 a	0.6 a	1.1 a	0.0 d	0.6 a	0.2 a	0.7 a
Prince Edward Island 10,000+	**	**0.0** a	**0.0** c	**2.5** a	**1.1** a	**2.4** a	**0.0** b	**0.8** a	**0.3** a	**1.4** a

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

2.1.5 Private Row (Townhouse) Estimate of Percentage Change (%) of Average Rent[1] by Bedroom Type
Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16
Charlottetown CA	**	**	**	**	++	++	3.4	**	3.0	3.2
Summerside CA	10.4	-4.2	9.3	-2.6	3.0	-2.5	1.1	0.0	2.0	++
Prince Edward Island 10,000+	**	**-4.2**	**8.9**	**-1.7**	**2.5**	++	**2.4**	**2.3**	**2.5**	**1.7**

[1]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

2.1.6 Private Row (Townhouse) Turnover Rates (%) by Zone and Bedroom Type
Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Charlottetown CA	n/a	**	n/a	**	n/a	**	n/a	**	n/a	**
Summerside CA	n/a	**	n/a	**	n/a	**	n/a	**	n/a	**
Prince Edward Island 10,000+	**n/a**	**	**n/a**	**	**n/a**	**	**n/a**	**	**n/a**	**

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

3.1.1 Private Row (Townhouse) and Apartment Vacancy Rates (%) by Bedroom Type Prince Edward Island										
Centre	**Bachelor**		**1 Bedroom**		**2 Bedroom**		**3 Bedroom +**		**Total**	
	Oct-15	**Oct-16**	**Oct-15**	**Oct-16**	**Oct-15**	**Oct-16**	**Oct-15**	**Oct-16**	**Oct-15**	**Oct-16**
Charlottetown CA	**	**	3.5 d	1.4 a	4.5 c	1.7 b	1.7 c	2.3 c	4.0 b	1.7 b
Summerside CA	**	**	5.2 c	3.1 d	4.9 a	3.4 b	4.3 c	1.0 a	4.9 a	2.6 a
Prince Edward Island 10,000+	**	**	**3.7 c**	**1.5 b**	**4.6 b**	**2.1 b**	**2.9 b**	**1.7 c**	**4.2 b**	**1.9 a**

3.1.2 Private Row (Townhouse) and Apartment Average Rents ($) by Bedroom Type Prince Edward Island										
Centre	**Bachelor**		**1 Bedroom**		**2 Bedroom**		**3 Bedroom +**		**Total**	
	Oct-15	**Oct-16**	**Oct-15**	**Oct-16**	**Oct-15**	**Oct-16**	**Oct-15**	**Oct-16**	**Oct-15**	**Oct-16**
Charlottetown CA	533 a	560 a	685 a	704 a	834 a	876 a	990 a	1,015 a	802 a	839 a
Summerside CA	454 b	439 b	592 a	590 a	773 a	782 a	774 a	771 a	744 a	753 a
Prince Edward Island 10,000+	**522 a**	**542 a**	**675 a**	**692 a**	**822 a**	**858 a**	**892 a**	**903 a**	**790 a**	**822 a**

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

3.1.3 Number of Private Row (Townhouse) and Apartment Units in the Universe by Bedroom Type Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Charlottetown CA	159	157	1,292	1,315	3,404	3,475	479	483	5,334	5,430
Summerside CA	20	19	191	162	773	791	453	406	1,437	1,378
Prince Edward Island 10,000+	**179**	**176**	**1,483**	**1,477**	**4,177**	**4,266**	**932**	**889**	**6,771**	**6,808**

3.1.4 Private Row (Townhouse) and Apartment Availability Rates (%) by Bedroom Type Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Charlottetown CA	**	**	3.8 c	2.7 b c	5.0 c	2.5 b	1.9 c	4.9 c	4.3 b	2.8 a b
Summerside CA	**	**	5.2 b	3.8 c	4.9 a	4.8 b	4.3 c	1.7 a	4.9 a	3.7 a b
Prince Edward Island 10,000+	**	**	**3.9 c**	**2.8 b c**	**4.9 b**	**3.0 a**	**3.0 c**	**3.4 c**	**4.4 b**	**3.0 a b**

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

3.1.5 Private Row (Townhouse) and Apartment Estimate of Percentage Change (%) of Average Rent[1] by Bedroom Type
Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16
Charlottetown CA	2.0 c	++	++	**	**	**	1.3 a	++	++	**
Summerside CA	**	++	6.4 c	++	1.6 c	-1.7 d	1.1 d	++	1.9 b	-0.4 b
Prince Edward Island 10,000+	**2.4** c	++	++	**	**	**	**1.3** a	++	++	**

[1]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

3.1.6 Private Row (Townhouse) and Apartment Turnover Rates (%) by Zone and Bedroom Type
Prince Edward Island

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Charlottetown CA	n/a	**	n/a	**	n/a	25.4 d	n/a	**	n/a	24.1 d
Summerside CA	n/a	**	n/a	**	n/a	14.4 c	n/a	**	n/a	17.3 d
Prince Edward Island 10,000+	**n/a**	**	**n/a**	**22.5** d	**n/a**	**23.1** d	**n/a**	**	**n/a**	**22.7** d

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

TECHNICAL NOTE:

Difference between Percentage Change of Average Rents (Existing and New Structures) AND Percentage Change of Average Rents from Fixed Sample (Existing Structures Only):

Percentage Change of Average Rents (New and Existing Structures): The increase/decrease obtained from the calculation of percentage change of average rents between two years (example: $500 in the previous year vs. $550 in current survey represents an increase of 10 percent) is impacted by changes in the composition of the rental universe (e.g. the inclusion of newly built luxury rental buildings in the survey, rental units renovated/upgraded or changing tenants could put upward pressure on average rents in comparison to the previous year) as well as by the rent level movement (e.g. increase/decrease in the level of rents that landlords charge their tenants).

Percentage Change of Average Rents from Fixed Sample (Existing Structures Only): This is a measure that estimates the rent level movement. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. However, some composition effects still remain e.g. rental units renovated/upgraded or changing tenants because the survey does not collect data to such level of details.

METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent levels, availability, turnover and vacancy unit data for all sampled structures.

The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of October, and the results reflect market conditions at that time.

CMHC is constantly reviewing the Universe of rental structures in the rental market Universe to ensure that it is as complete as possible. Every year, any newly completed rental structures with at least 3 rental units are added to the Universe. In addition to this, CMHC undertakes comprehensive reviews by comparing the Universe listing to other sources of data to ensure that the list of structures is as complete as possible.

CMHC's Rental Market Survey provides a snapshot of vacancy, availability, and turnover rates and average rents in both new and existing structures. There also exists a measure for the change in rent that is calculated based on existing structures only. The estimate is based on structures that were common to the survey sample for both the previous and the current Rental Market Surveys. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of percent change in rent is available in all Canada and Provincial Highlights publications, and also in the CMA reports. The rent levels in new and existing structures are also published. While the percent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

METHODOLOGY FOR SECONDARY RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts a survey of the **Secondary Rental Market** (SRMS) in late summer and early fall to estimate the relative strengths in the secondary rental market which is defined as those dwellings not covered by the regular RMS – rented single-detached homes, semi-detached (double) homes, rented freehold row/townhomes, rented duplex apartments (i.e., one-above-other), rented accessory apartments (separate dwelling units that are located within the structure of another dwelling type), rented condominiums (can be any dwelling type but are primarily apartments), and one or two apartments which are part of a commercial or other type of structure.

The SRMS has two components which are conducted in selected CMAs:

- A Household Rent Survey of all households to collect information about rents in the following CMAs: Abbotsford-Mission, Barrie, Calgary, Edmonton, Halifax, Hamilton, Kelowna, Montréal, Ottawa, Québec, Regina, Saskatoon, St. Catharines-Niagara, St. John's, Toronto, Vancouver, Victoria, Windsor and Winnipeg.
- A Condominium Apartment Survey to collect vacancy and rent information in the following CMAs: Calgary, Edmonton, Gatineau, Halifax, Hamilton, Kelowna, Kitchener-Cambridge-Waterloo, London, Montréal, Ottawa, Québec, Regina, Saskatoon, Toronto, Vancouver, Victoria and Winnipeg.

Both these surveys are conducted by telephone interviews. For the Condominium Apartment Survey, information is obtained from the property management company or condominium (strata) board, or building superintendent and can be supplemented by site visits if no telephone contact is made. For the Household Rent Survey, information is collected from an adult living in the household. Both surveys are conducted in late summer and early fall, and the results reflect market conditions at that time.

CMHC publishes the number of units rented and vacancy rates from the Condominium Apartment Survey. For the Household Rent Survey, the average rent is published. A letter code representing the statistical reliability (i.e., the coefficient of variation (CV)) for each estimate is provided to indicate the data reliability.

Every year CMHC reviews the method of estimation for Household Rent Survey, which may result in some changes to previously published estimates. All statistics in this report are reflective of the new method of estimation.

RENTAL MARKET SURVEY (RMS) AND SECONDARY RENTAL MARKET SURVEY (SRMS) DATA RELIABILITY

CMHC does not publish an estimate (e.g. Vacancy Rates and Average Rents) if the reliability of the estimate is too low or the confidentiality rules are violated. The ability to publish an estimate is generally determined by its statistical reliability, which is measured using the coefficient of variation (CV). CV of an estimate is defined as the ratio of the standard deviation to the estimate and CV is generally expressed a percentage. For example, let the average rent for one bedroom apartments in a given CMA be $\bar{x}$ and its standard deviation be $\sigma_{\bar{x}}$. Then the Coefficient of Variation is given by $CV = \frac{\sigma_{\bar{x}}}{\bar{x}}$.

Please click Methodology or Data Reliability Tables Appendix link for more details.

Reliability Codes for Proportions

CMHC uses CV, sampling fraction and universe size to determine the ability to publish proportions such as vacancy rates, availability rates and turnover rates. The following letter codes are used to indicate the level of reliability of proportions:

a – Excellent
b – Very good
c – Good
d – Fair (Use with Caution)
** – Poor – Suppressed
++ – Change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0).
- – No units exist in the universe for this category
n/a – Not applicable

The following two tables indicate the level of reliability of proportions:

If the proportion is Zero (0) and sampling fraction is less than 100% then the following levels are assigned:

	Sampling Fraction (%) range				
Structures in Universe	**(0,20]***	**(20,40]**	**(40,60]**	**(60,80]**	**(80,100)**
3 – 10	Poor	Poor	Poor	Poor	Poor
11 – 20	Poor	Fair	Fair	Fair	Good
21 – 40	Poor	Fair	Fair	Good	Very Good
41 – 80	Poor	Fair	Good	Good	Very Good
81+	Poor	Good	Good	Very Good	Very Good

*(0, 20] means sampling fraction is greater than 0% but less than or equal to 20%; others are similar.

Otherwise, the following table is used to determine the reliability level of proportions:

	Coefficient of Variation (CV) %						
Vacancy Rate	**0**	**(0,5]**	**(5,10]**	**(10,16.5]**	**(16.5,33.3]**	**(33.3,50]**	**50+**
(0,0.75]	Excellent	Excellent	Excellent	Excellent	Excellent	V. Good	V. Good
(0.75,1.5]	Excellent	Excellent	Excellent	Excellent	Excellent	Fair	Poor
(1.5,3]	Excellent	Excellent	Excellent	V. Good	Good	Poor	Poor
(3,6]	Excellent	Excellent	V. Good	Good	Fair	Poor	Poor
(6,10]	Excellent	Excellent	V. Good	Good	Poor	Poor	Poor
(10,15]	Excellent	Excellent	Good	Fair	Poor	Poor	Poor
(15,30]	Excellent	Excellent	Fair	Poor	Poor	Poor	Poor
(30,100]	Excellent	Excellent	Poor	Poor	Poor	Poor	Poor

Reliability Codes for Averages and Totals

CMHC uses the CV to determine the reliability level of the estimates of average rents and a CV cut-off of 10% for publication of totals and averages. It is felt that this level of reliability best balances the need for high quality data and not publishing unreliable data. CMHC assigns a level of reliability as follows (CV's are given in percentages):

a – If the CV is greater than 0 and less than or equal to 2.5 then the level of reliability is **Excellent**.
b – If the CV is greater than 2.5 and less than or equal to 5 then the level of reliability is **Very Good**.
c – If the CV is greater than 5 and less than or equal to 7.5 then the level of reliability is **Good**.
d – If the CV is greater than 7.5 and less than or equal to 10 then the level of reliability is **Fair**.
** – If the CV is greater than 10 then the level of reliability is **Poor**. (Do Not Publish)

Arrows indicate Statistically Significant Changes

Use caution when comparing statistics from one year to the next. Even if there is a year over year change, it is not necessarily a statistically significant change. When applicable, tables in this report include indicators to help interpret changes:

↑ indicates the year-over-year change is a statistically significant increase.
↓ indicates the year-over-year change is a statistically significant decrease.
– indicates that the effective sample does not allow one to interpret any year-over-year change as being statistically significant.
Δ indicates that the change is statistically significant

DEFINITIONS

Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Turnover: A unit is counted as being turned over if it was occupied by a new tenant moved in during the past 12 months. A unit can be counted as being turned over more than once in a 12 month period.

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

Data presented is based on Statistics Canada's 2011 Census area definitions.

Acknowledgement

The Rental Market Survey and the Secondary Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, building superintendents and household members throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution CMHC is able to provide information that benefits the entire housing industry.

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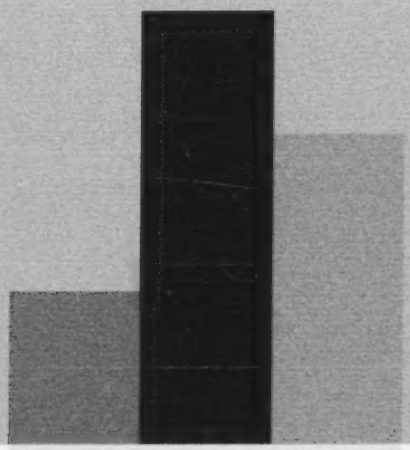

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